




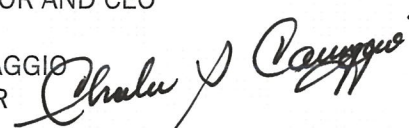
HONOLULU AUTHORITY for RAPID TRANSPORTATION

November 6, 2017

MEMORANDUM

TO: MEMBERS OF THE BOARD OF DIRECTORS
HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

THROUGH: ANDREW S. ROBBINS 
EXECUTIVE DIRECTOR AND CEO

FROM: CHARLES S. CARNAGGIO 
PROJECT DIRECTOR

SUBJECT: REQUEST FOR CHANGE ORDER APPROVAL
GEC CONTRACT ADDITIONAL FUNDING
CONTRACT NO. SC-HRT-1400027

Overview

If approved by the Honolulu Authority for Rapid Transportation (HART) Board of Directors ("the Board"), this Amendment will provide for continued General Engineering Consultant Professional Services (GEC III) for the Project through March 2019. The contract not-to-exceed amount will be increased by \$17,930,809.00 from \$46,842,849.00 to \$64,773,658.00.

Justification

The original contract was a cost plus fixed fee contract issued with a not-to-exceed total price of \$46,143,277.00. The duration was for five years (5) and four months (4) starting from December 5, 2013 and ending April 4, 2019. Three (3) prior amendments have been executed totaling \$699,572.00 for an aggregate contract price of \$46,842,849.00 per below:

Amendment No. 1 dated July 24, 2015

Scope : Administration Services for Rapid Transit Stabilization Agreements (RTSA) through December, 2016
Net Increase for Change: \$268,451.00
Total Cost of Contract: \$46,411,728.00

Amendment No. 2 dated April 29, 2016

Scope: Administration Services for the Bus/Rail Integration Planning
Net Increase for Change: \$130,000.00
Total Cost of Contract: \$46,541,728.00

Amendment No. 3 dated August 7, 2017

Scope: Administration Services for Rapid Transit Stabilization Agreements (RTSA) through March, 2019
Net Increase for Change: \$301,121.00
Total Cost of Contract: \$46,842,849.00

There are several over-arching factors contributing to the increased "burn rate" for the GEC contract. Firstly, the established start/end dates and level-of-effort in the original contract were based on a projected Revenue Operations Date of December 2019. When the contract was negotiated, the level-of-effort was expected to

taper off in 2017 as the Revenue Operations Date approached. Subsequent to contract award and due to circumstances beyond the consultant's control, the projected date of revenue service was modified to December 2025. Consequently, the work effort has increased, instead of decreasing as planned.

Secondly, in December 2014, HART changed its project delivery methods for the east segment from Design-Bid-Build (DBB) to Design Build (DB). As a result, the Airport Guideway & Utilities and Airport Stations Group DBB contracts were combined and changed to Airport Guideway and Station DB Contract and the City Center Guideway & Utilities and Dillingham & Kaka'ako Stations Group DBB Contracts were combined and changed to City Center Guideway and Stations DB Contract. In these cases, HART's changes to the contract delivery method increased the level of effort required from the GEC. The above general reasons for the increased costs to the GEC contract are in addition to the discipline specific reasons for the following contract tasks:

Task 01– Scheduling and Estimating. HART requires an increase in the level-of-effort for Task 01 to provide project management support services in areas including estimating/budget, scheduling, project controls management, and other project management tasks. This increase in effort provides for the additional resources necessary to HART's Project Controls group to consistently produce relevant and timely information in tangent with recommended solutions. These efforts will better enable the integrated program management staff to effectively plan, organize, and manage the delivery of HART's Program.

HART agrees with the Contractors revised Scope of Work (SOW), thus concurs that a longer turnover period between schedulers is warranted, resulting in a more efficient transfer of knowledge. HART believes the cost estimate proposed is warranted and concurs with the Contractor's inclusion of these costs in their estimate. The cost proposal is accepted as proposed. An Amendment to increase the value to Task 01, Scheduling & Estimating, from the current amount by \$3,288,420 from \$13,756,882 to \$17,045,302 is recommended.

Task 03 – Environmental and Planning. HART requires additional scope contract work for Task 03 to provide implementation services to ensure compliance with commitments specified by the Final EIS/Record of Decision and Section 106 Programmatic Agreement. GEC III had anticipated almost exclusive use of its in-house staff to carry out the work when the contract was negotiated. However, once work commenced and after assessing how best to improve the timely production of quality deliverables, it was determined that a range of technically specialized sub-consultants would be needed. This change also includes transportation and land use planning support, travel demand modeling analysis, bus and rail integration planning support, archaeological and cultural resource monitoring coordination as required by HRS Chapter 6E, and on-call design support for right-of-way and cost to cure activities.

HART agrees with the revised Scopes of Work (SOW) for specialized technical sub-consultants and the estimated levels of effort for both sub-consultants and CH2M Hill staff. HART believes the above costs are warranted and concurs with the Contractor's inclusion of these costs in their estimate, thus the cost proposal is accepted as proposed. An Amendment to increase the value to Task 03, Environmental & Planning, from the current amount by \$7,500,831 from \$6,667,705 to \$14,168,536 is recommended.

Task 04 – Design Management Services. HART requires additional scope contract work to provide additional engineering services to provide technical oversight in managing the Design-Build (DB) contracts on the East segment, from Middle Street to Ala Moana Center. GEC is needed to review technical submittals by DB to protect the interest of HART. This includes assisting in the development of procurement documents.

HART agrees with the revised level of effort proposed by the Contractor which is based on HART's updated Contract Packaging Plan (CPP) and Master Project Schedule (MPS). The CPC estimate should be used as the estimate assumes actual rates instead of an assumed average rate for all staff. The cost proposal is accepted as proposed. An Amendment to increase the value of Task 04, Design Management and Services from the current amount by \$10,742,567 from \$16,986,250 to \$27,728,817 is recommended.

The aggregate of the increase for Tasks 01, 03 and 04 is \$21,531,818.00. This will be offset by cost under-runs on Task 02, Interface Management Coordination, Task 05, Program Management and Deliverables, and Other Direct Costs (ODCs) thus resulting in a net increase of \$17,930,809.00.

Recommendation

HART Staff recommends that the Board approve this Amendment in the amount of \$17,930,809.00 to provide additional GEC services through March 2019.

Fiscal Impact

HART previously forecasted allocation for this Amendment and sufficient funding is available in the Project budget.